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7 **UNITED STATES DISTRICT COURT**
8 **CENTRAL DISTRICT OF CALIFORNIA**
9

10 JUAN MEDINA and RAMONA
11 MEDINA,

12 Plaintiffs,

13 v.

14 PILE TRUCKING INC., EARL
15 PILE TRUCKING, ALVIN
16 FLYNN, and DOES 1 through 50
17 inclusive,

18 Defendants.
19

Case No. CV 11-6329 PJW

**MEMORANDUM OPINION AND
ORDER**

**(1) IMPOSING SANCTIONS
AGAINST DEFENDANTS AND
DEFENDANTS' COUNSEL; AND**

**(2) GRANTING LEAVE TO
PLAINTIFFS TO FILE AN
APPLICATION FOR FEES AND
COSTS**

20 Before the Court is an Order to Show Cause ("OSC") why sanctions should
21 not be imposed against defendants Alvin Flynn and Pile Trucking, Inc.
22 ("Defendants") and Defendants' predecessor counsel Barry Synder, Sean Burnett,
23 and Gregory Smith ("Defendants' counsel") for failure to comply with a court order.
24 [Dkt. No. 82.] On July 10, 2012, Defendants and their counsel responded to the
25 OSC.^{1/} [Dkt. No. 85.] After studying Defendants and their counsel's response,
26

27 ^{1/} On July 3, 2012, Snyder, Burnett and Smith applied to withdraw as counsel
28 for Defendants, contending that "[i]rreconcilable, unwaivable conflicts have arisen
between the defendants that make their interests and trial strategy adverse to one

1 along with the entire record here, and after due reflection, the Court finds that
2 sanctions are appropriate for the reasons stated below.

3 **I.**

4 **PROCEDURAL BACKGROUND**

5 The instant OSC chiefly evolves from (1) a May 25, 2012 Order of this Court;
6 (2) Defendants and their counsel's objection to that Order; and (3) the Court's ruling
7 on that objection. For the requisite context, all three are discussed in order.

8 First, on May 25, 2012, the Court issued an Order sanctioning Defendants and
9 Defendants' counsel. By way of background, the Court ordered Defendants and
10 Defendants' lead counsel to be present for a (further) settlement conference on May
11 10, 2012. [Dkt. No. 26.] The Court instructed that attendance was mandatory and
12 that failure to comply would result in sanctions. None of the Defendants appeared
13 for that settlement conference. Defendants' lead counsel also failed to appear.
14 Defendants' counsel acknowledged their violation of the Court's Order, including
15 the failure of Defendants to appear as ordered. [Dkt. No. 67.]

16 The Court sanctioned each Defendant and each of Defendants' counsel and
17 granted leave to Plaintiffs to seek their recoupment of the fees and costs incurred for
18 attending the settlement conference at issue. [Dkt. No. 41.] The Court's bases for
19 its sanctions are described in detail in that Order, and the parties are referred to that
20 Order for a complete history.

21 Second, on June 8, 2012, Defendants and Defendants' counsel filed an
22 objection to this Court's May 25th Order. [Dkt. No. 58.] Defendants and their
23 counsel contended that, procedurally, sanctions were "outside the magistrate's
24 authority" and, substantively, "there was, in any event, no sanctionable conduct."
25 [*Id.*]

26
27
28 another." [Dkt. No. 81.] The Court granted their application to withdraw on July
10, 2012.

1 With respect to “no sanctionable conduct,” Defendants and their counsel
2 advanced three arguments: (1) “it is custom and practice in personal injury cases
3 that the presence of a defendant’s insurance carrier satisfies a requirement for the
4 attendance of ‘parties’”; (2) lead trial counsel, Snyder, advised the Court he would
5 be out of the country, and arranged for his partner and associate working the case to
6 be present; and (3) this Court’s Order “suggest[ed]” that the sanctions award was,
7 “in part,” triggered by Defendants’ earlier counsel. [*Id.*]

8 Third, on June 20, 2012, the Court, Hon. George H. King presiding, ruled on
9 the objection. Chief Judge King found that this Court had authority to issue the
10 sanctions. [Dkt. No. 77 at 2.]

11 Chief Judge King also ruled that – while Defendants and their counsel did not
12 claim an inadequate opportunity to be heard before this Court and was “generally []
13 of the view that [they] were given the opportunity to be heard” – a specific chance to
14 be heard before any sanctions were imposed would provide this Court with a more
15 robust record. [*Id.* at 3.] Chief Judge King vacated the sanctions, and remanded for
16 further proceedings consistent with his order. [*Id.*]

17 Chief Judge King further noted that his order did not preclude this Court from
18 issuing any such further orders regarding sanctions as it deems appropriate after
19 considering whatever showing and arguments Defendants and their counsel may
20 make. [*Id.*]

21 On July 10, 2012, Defendants and Defendants’ counsel filed their response to
22 the OSC, along with brief declarations from Snyder, Burnett, Smith, and Katherine
23 Van Ryn. [Dkt. No. 85.] Van Ryn is a “litigation specialist” with Harco National
24 Insurance Company, “insurer for defendant Pile Trucking, Inc., and the other
25 defendants.” [*Id.*, Van Ryn Decl. at ¶ 1.] There were no declarations by any of the
26 Defendants.

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1 II.

2 DISCUSSION

3 Defendants and their counsel assert sanctions are unwarranted for four
4 reasons:

5 1. “It is custom and practice in personal injury cases that the presence of a
6 defendant’s insurance carrier satisfies a requirement for the attendance of “parties”
7 at a settlement conference” [Dkt. No. 85 at 4];

8 2. “Neither [Burnett nor Smith were] ordered to attend the conference or
9 had any other obligation to be present,” and it “continues to be unclear” why the
10 Court proposes to sanction them [*id.* at 5];

11 3. “Snyder advised the Court he would be out of the country on the
12 scheduled date,” and, not hearing from the Court earlier, “it is imminently
13 reasonable to assume . . . that his personal absence was approved by the Court,”
14 particularly where he arranged for his partner and associate to be present [*id.* at 5-6];
15 and

16 4. “There appears to be no legitimate purpose for the [May 25th] Order,”
17 and “it could be argued that the Order for Sanctions has its root” in this Court’s
18 “original leniency” to Defendants’ first counsel [*id.* at 6-7].

19 The Court addresses each argument in turn.

20 A.

21 Defendants And Their Counsel Are Not At Liberty
22 To Unilaterally Ignore Court Orders

23 Defendants and their counsel first contend there is a purported “custom and
24 practice” excusing the personal attendance of the parties as long as an insurance
25 carrier representative appears at the settlement conference. Defendants and their
26 counsel contend that this practice promotes settlement. Because, the generally
27 “emotional” and “unsophisticated” insured is substituted with a seasoned
28 representative with settlement authority within policy limits.

1 The argument is untenable, on multiple levels. The Court will not belabor all
2 of the deficiencies, but will briefly underscore the more notable ones.

3 To start, Defendants' counsel's own mode of operating is neither here nor
4 there when this Court's March 7 Order unambiguously directed the personal
5 attendance of Defendants and, indeed, cautioned Defendants and their counsel about
6 potential "sanctions" for failure to "strictly" comply with the Court's "instructions":
7

8 **The parties and lead counsel shall strictly follow these instructions.**

9 . . . The parties and their lead trial counsel shall appear for a second
10 settlement conference . . . The parties and their lead trial counsel shall
11 keep their schedule clear for the remaining part of the day. No party or
12 counsel shall be excused absent leave from the Judge or until the
13 settlement conference is adjourned. Violation of this policy may result
14 in sanctions being imposed. . . . Counsel appearing without their clients
15 (whether or not counsel purportedly have been given settlement
16 authority) may result in sanctions being imposed.

17 [See Dkt. No. 26 at 1-2 (emphasis in original).]
18

19 Defendants and their counsel are not at liberty to ignore definitive and specific
20 court orders as they deem fit based upon their particular familiarities. If Defendants
21 sought to be excused from personal attendance, the appropriate course was for
22 Defendants to file a motion to that end. Defendants' counsel does not retain
23 unilateral authority to disregard a court order, even if he or she believes it is
24 erroneous. This basic principle has been long recognized. *Malave v. Nat'l Pension*
25 *Fund for Hosp. & Health Care Emps.*, 1996 WL 175090, at *3 (S.D.N.Y. Apr. 15,
26 1996) (denying motion to vacate sanctions against attorney whose clients failed to
27 attend settlement conference because "[e]ven assuming [plaintiffs] had valid reasons
28 for not attending . . . , these excuses were not presented to [the judge] prior to the

1 conference”) (emphasis in original), *aff’d*, 125 F.3d 844 (table), 1997 WL 589885, at
2 *1 (2d Cir. 1997); *see also Hamilton v. United States*, 2012 WL 2122161, at *3
3 (E.D.N.Y. June 12, 2012).

4 It also bears noting that any reliance on a purported “custom and practice”
5 was misplaced here. Based upon prior history, Defendants and their counsel were on
6 notice that Defendants’ personal attendance was mandatory. By way of background,
7 the Court had set two settlement conferences in this action – an “early” settlement
8 conference and a “further” settlement conference. The “early” settlement conference
9 occurred on December 19, 2011, approximately five months before the settlement
10 conference at issue in this OSC. [Dkt. No. 12.]

11 At that “early” settlement conference, Defendants also failed to appear. In a
12 written minute order, Defendants and their then-counsel were admonished for
13 disobeying the Court’s directives at the “early” conference, specifically the failure of
14 Defendants to personally attend. [*Id.*] While Defendants’ counsel at issue here
15 substituted in after the “early” settlement conference, the parties remained the same,
16 as did Defendants’ carrier.

17 And with respect to successor counsel in any event, it was incumbent upon
18 them to review the procedural aspects of this action and to examine the court record
19 as well. Indeed, during the further settlement conference, Defendants’ counsel
20 (Burnett) conceded that “[w]e substituted into the case because of what happened on
21 the last settlement conference.” [Dkt. No. 67 at 6.] Plainly put, Defendants and their
22 counsel were “well aware of what the court expected.” *G. Heileman Brewing Co.,*
23 *Inc. v. Joseph Oat Corp.*, 871 F.2d 648, 655-56 (7th Cir. 1989) (upholding sanctions
24 against a party that violated a court order by failing to appear at a settlement
25 conference and emphasizing the action’s past procedural history).

26 Even putting aside both of the above, Defendants’ presence was required at
27 the settlement conference precisely because they are the integral participants in this
28 lawsuit. For one thing, they are the ones who retain actual personal knowledge of

1 the events at issue. Hence, during the settlement conference, and without revealing
2 any confidential information here, it was evident that certain peculiar events
3 (centered around Flynn’s passenger during the incident and evidently the destruction
4 of log books) could be addressed only through defendant Alvin Flynn and/or
5 defendant Pile Trucking, Inc. Yet, they were unavailable at the further settlement
6 conference.^{2/} See, e.g., *Dunaway v. Estate of Aiken*, 2011 WL 6211228, at *2 (S.D.
7 Ind. Dec. 14, 2011) (“[C]ourt-ordered settlement conferences are serious attempts to
8 settle claims and are intended to convey information helpful and important to the
9 ultimate decision makers.”).

10 Now, Defendants and their counsel hype the fact that Van Ryn had “full,
11 unlimited settlement authority up to the value of the insurance policy,” and there was
12 not then, nor has there been afterward, “a demand that exceeds policy limits.” [Dkt.
13 No. 85 at 4.] Defendants and their counsel then assert that “thus, attendance by the
14 defendants would have been – at best – absolutely unnecessary and
15 inconsequential.” [*Id.*] To put it charitably, Defendants and their counsel overlook
16 the full spectrum of exposure.

17 Barring any resolution short of trial, any ultimate judgment – in excess of the
18 policy limits (and even perhaps within policy limits depending on the actual factual
19 findings) – would likely be shouldered by one or more of the Defendants themselves
20 (although Defendants may have something to say about that now). And
21 notwithstanding any of Plaintiffs’ settlement demands, Plaintiffs’ intended trial
22 demands vastly exceeded the policy limits. Plaintiff’s statement of damages, filed
23

24 ^{2/} Flynn’s failure to appear, and Defendants’ counsel’s duty to ensure his
25 presence, is even more pronounced in light of the fact that the Court was forced to
26 telephonically contact Flynn at the “early” settlement conference, and Defendants’
27 counsel and carrier were aware, or should have been aware, about that fact. [Dkt.
28 No. 67 at 9] (“Ms. Van Ryn: I just wanted to apologize, Your Honor, and say that I
did know that you called Mr. Flynn.”).

1 on May 25, 2011, stated that they sought \$5,000,000 in general damages and
2 \$1,500,000 in special damages. [Dkt. No. 1 at 33-34.] Defendants may find a
3 verdict in or near those amounts to be an unwelcome proposition and Defendants
4 may, in fact, consider them consequential. These facets of the litigation, along with
5 other tensions, were evident under the circumstances, and Defendants' participation
6 in the settlement conference was merited. *See, e.g.*, 14 COUCH ON INS. 3d § 203:13
7 (3d ed. 2011) ("The basis of the insurer's duty to settle within policy limits is the
8 insurer's exclusive control over settlement negotiations and defense of litigation.
9 While the insured may prefer to settle within policy limits and avoid the risk of trial,
10 the insurer may have an incentive to reject offers at or close to policy limits and
11 proceed to trial with the hope of a lower judgment or a verdict in its favor.").

12 Indeed, at the further settlement conference, the Court queried Defendants'
13 counsel (Burnett) on this aspect, namely, whether the carrier accepted responsibility
14 for a verdict in excess of the policy limits. Defendants' counsel first sidestepped the
15 issue, and indicated it was a consideration for the carrier. [Dkt. No. 67 at 8.] When
16 pressed, Defendants' counsel admitted that such a commitment had not been made.
17 Defendants' counsel continued to avoid the topic of trial exposure. He stated, "I
18 don't think I'm in the position to speak to that issue." [*Id.*] When asked whether
19 Defendants themselves would be liable, he admitted that he could not offer an
20 opinion because he had "a duty to both the defendants in this case and to the
21 insurance company as well." [*Id.*] One should remain hopeful that this action does
22 not now spurn off other lawsuits.

23 **B.**

24 **Burnet And Smith Appeared On Behalf Of Defendants**

25 **And Were To Comply With The Court's Order**

26 Defendants and their counsel also contend that "neither [Burnett and Smith]
27 was ordered to attend the conference or had any other obligation to be present," and
28 "[s]imply put, they did not violate any of the Court's Orders in any way. . ." [Dkt.

1 No. 85 at 5.] The argument is untenable.

2 Smith was an attorney of record at the time this Court issued its order of
3 March 7, 2012. In fact, in a recent declaration submitted to the Court, Smith stated
4 he was the “primary handling attorney” on behalf of Defendants.^{3/} [See Dkt. No. 81,
5 Smith Decl. at ¶ 1.] Moreover, Burnett, along with Smith, specifically appeared on
6 behalf of the Defendants at the further settlement conference:

7
8 Mr. Burnett: Good morning, Your Honor. Sean Burnett and
9 Greg Smith for the Defendants.

10 [See Dkt. No. 67 at 4.]
11

12 As well summed by one court, “[a] court’s most fundamental expectations of
13 the attorneys who appear before it are to show up and be prepared” and “[t]he failure
14 to be properly prepared is one of things Rule 16(f) specifically identifies as the basis
15 for sanctions. . .” *In re Syzmanski*, 344 B.R. 891, 894 (Bankr. N.D. 2006); *see also*
16 Fed. R. Civ. P. 16.

17 Here, of course, Burnett and Smith were substantially unprepared because
18 they failed to ensure that Defendants accompanied them to the settlement
19 conference, as ordered by the Court. And as previously noted by this Court, whether
20 it was intentional or unintentional is impertinent; sanctions may be imposed when
21 the parties and their counsel disobey a court order. *See Lucas Auto. Eng’g, Inc. v.*
22 *Bridgestone/Firestone, Inc.*, 275 F.3d 762, 769 (9th Cir. 2001) (sanctions may be
23 imposed when the disobedience of a settlement conference order is intentional or
24 unintentional); *Los Altos El Granada Investors v. City of Capitola*, 2011 WL

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26 ^{3/} The Court previously reduced the amount of sanctions against Smith because
27 the Court believed that Smith “may have lacked supervisory responsibility in this
28 case.” [Dkt. No. 41 at 7.] It seems Smith has already been fortuitous in these
proceedings, albeit Defendants’ counsel’s credibility continues to suffer.

1 996108, at *2-3 (N.D. Cal. Mar. 21, 2011) (“It need not be shown that the party to
 2 be sanctioned was acting recklessly or in bad faith. Negligent failure to comply with
 3 Rule 16 justifies imposition of appropriate sanctions.”) (citation omitted).

4 C.

5 **Snyder Was Not “Implicitly” Excused By The Court**

6 Defendants and their counsel next contend that Snyder “advised” the Court he
 7 would be out of the country before the settlement conference. [Dkt. No. 85 at 5.] If
 8 the Court found Snyder’s “proposed course of action . . . unsatisfactory,” then the
 9 Court should have issued “some directive.” [*Id.* at 6.] But since Snyder did not hear
 10 anything from the Court, it was “imminently reasonable to assume” that Snyder’s
 11 absence was excused. [*Id.*] This argument fails for a host of reasons.

12 Foremost, Snyder, as lead counsel, did not file any motion or any application.
 13 He simply filed a “declaration,” stating he was “unable” to attend because of his
 14 “vacation plans.” [Dkt. No. 29.] If Snyder desired affirmative relief – to be excused
 15 from the settlement conference as the Court’s March 3 Order required – he should
 16 have filed a noticed motion consistent with this Court’s Local Rules. It is not the
 17 Court’s burden to re-order what it has already ordered, especially when Defendants’
 18 counsel ignores the proper procedure to that end as well.^{4/}

19 Second, Snyder recognized in his “advisement” that sanctions would be the
 20 consequences. Any purported surprise by Snyder, or his fellow counsel, or
 21 Defendants, is without basis. As Snyder stated in his own declaration at the time, “I
 22 request the Court . . . to allow Mssrs. Burnett and Smith to attend in my stead
 23

24 ^{4/} Defendants’ counsel appears to have difficulty following this Court’s rules
 25 generally when seeking affirmative relief. For instance, on or about January 20,
 26 2012, when Snyder and his fellow counsel substituted into the action on behalf of
 27 Defendants, Defendants’ new counsel’s paralegal wrote a letter to the Court seeking
 28 a revised Scheduling and Case Management Order. [Dkt. Nos. 16-18.] This Court’s
 Local Rules provide that letters are not permitted. *See* Local Rule 83-2.11.

1 *without sanctions* being imposed.” [Dkt. No. 29 at ¶ 6 (emphasis added).]

2 Third, Snyder fails to recognize that, irrespective of whether his presence was
3 excused or not, which it was not, he further violated the Court’s order to ensure that
4 his clients were present for the settlement conference. That alone is adequate
5 grounds to sanction Snyder as lead counsel.

6 Fourth, the substance of Snyder’s declaration was disingenuous in any event.
7 In his declaration, Snyder stated he was to be on a European vacation from May 9 to
8 May 24, 2012, and thus could not attend the follow-up settlement conference. [Dkt.
9 No. 29.] He stated that his wife made final arrangements for this vacation – to
10 encompass the May 10, 2012 further settlement conference date – on March 8 or 9,
11 2012. [*Id.* at ¶ 2.] He did not specify the precise date of the booking and payment.
12 Nor did Snyder submit any documentation to this effect. Nor has he ever since.
13 Snyder then explained that he did not receive the Court’s Order of Wednesday,
14 March 7, 2012 until Monday, March 12, 2012 because on March 7, 2012, his fifth
15 grandchild was born, and he spent “much of the day” out of the office. [*Id.* at ¶ 4.]

16 Snyder never explains why he did not review the Order on March 8th or
17 March 9th. Equally important, however, Snyder did not address that the follow-up
18 settlement conference date was solidified through the Court’s Courtroom Deputy
19 Clerk *before* the March 7, 2012 Order itself, and lead counsel was already on notice
20 from the Court’s prior settlement order that his presence was mandatory.

21 **D.**

22 **Defendants And Their Counsel’s Wrongful Conduct**

23 **Cannot Stand Without Consequences**

24 Defendants and their counsel lastly contend “there appears to be no clear
25 purpose and no legitimate basis for the contemplated sanctions” because the Court
26 did actually hold a settlement conference and, in their opinion, the conference was
27 still “quite useful.” [Dkt. No. 85 at 6-7.] Defendants and their counsel state that,
28 “[i]n many ways, it could be argued” that this Court’s imposition of sanctions has its

1 “root” in the “original leniency” extended to Defendants’ prior counsel. [*Id.* at 6.]
2 Defendants and their counsel continue to be mistaken.

3 The Court proceeded with the settlement conference because Plaintiffs and
4 their lead counsel appeared, along with a Spanish-speaking interpreter for Plaintiffs.
5 The Court proceeded with the settlement conference because the conference had
6 been on calendar for two months. The Court proceeded with the settlement
7 conference because “court-ordered settlement conferences are serious attempts to
8 settle claims” and “[t]he parties who attend settlement conferences owe it to each
9 other and the court to take these conferences seriously.” *Dunaway*, 2011 WL
10 6211228, at *2.

11 The fact that Plaintiffs and the Court shouldered their responsibilities does not
12 excuse Defendants and Defendants’ counsel from honoring their own duties. And
13 while Defendants and Defendants’ counsel may believe the conference remained
14 “quite useful,” the settlement conference suffered as a result of Defendants and their
15 counsel’s violations of the Court’s order, as described above. Defendants and their
16 counsel’s wrongful conduct cannot stand without consequences.

17 **E.**

18 **The Court Contemplated Additional Sanctions**
19 **Against Defendants’ Counsel**

20 In its original order imposing sanctions, the Court noted its displeasure in
21 censuring any party or his, her, or its counsel, and underscored the rarity of doing so
22 by this Court. Notwithstanding that reluctance, the Court felt forced to impose
23 sanctions here. The response to the OSC not only reinforces that belief, but suggests
24 that the Court may have been too indulgent in its initial assessment.

25 For instance, in its original order, the Court was mindful that Defendants and
26 their counsel may not have had ill intentions in their violations. But now,
27 Defendants and their counsel argue that they merely followed their own “custom and
28 practice,” rather than a plain court order, which suggests the wrongful conduct was

1 willful, not inadvertent. [Dkt. No. 85 at 4.] Defendants and their counsel argue that
2 Defendants' presence was "absolutely unnecessary and inconsequential," even
3 though certain facts needed to be fleshed out at the conference and, of course, there
4 was the potential for an excess judgment. [*Id.*]

5 It does not end there. Defendants and their counsel argue that Burnett and
6 Smith "did not violate any of the Court's orders in any way," when both specifically
7 appeared on behalf of Defendants at the further settlement conference, and Smith
8 was the "primary handling attorney." [*Id.* at 5; Dkt. No. 81, Smith Decl. at ¶1.]
9 Defendants and their counsel argue that the Court "implicitly" excused Snyder
10 because he filed a short, hollow declaration, ignoring, among other things, that
11 Snyder himself asked – in that same declaration – that the Court not impose
12 "sanctions" because of his conduct. [Dkt. No. 85 at 5; Dkt. No. 29 at ¶ 6.]
13 Defendants and their counsel argue there is "no legitimate basis" for sanctions,
14 overlooking that they, in fact, violated a Court order. [Dkt. No. 85 at 7.]

15 In sum, Defendants and their counsel's response to the OSC is markedly less
16 than one would have expected from officers of the court. In this vein, the Court
17 contemplated whether the amount of sanctions should be increased or whether
18 certain of Defendants' counsel should be required to self-report to the State Bar to
19 determine whether counsel has violated the provisions of the California Rules of
20 Professional Conduct and the State Bar Act. *See, e.g., United States v. Kan Wen*
21 *Chong*, 2010 WL 4175764, at *3 (N.D. Cal. Oct. 20, 2010). At this juncture, the
22 Court shall refrain from doing so. As it stands now, the Court has fashioned a
23 sufficient remedy in light of Defendants and their counsel's violations given all the
24 circumstances. But this Court does take this opportunity to encourage Defendants
25 and their counsel to, going forward, hold themselves to the highest standards of
26 candor and integrity when before the United States District Court.

27
28 **III.**

CONCLUSION

The Court exercises its sanctioning authority under Fed. R. Civ. P. 16. *See also Ayers v. City of Richmond*, 895 F.2d 1267, 1269 (9th Cir. 1990); *Ford v. Alfaro*, 785 F.2d 835, 837 (9th Cir. 1986) (court did not question magistrate judge's authority to issue Rule 16 sanctions); *Grimes v. City & Cnty. of San Francisco*, 951 F.2d 236, 240 (9th Cir. 1991) (authority to sanction under Fed. R. Civ. P. 37); *Maisonville v. F2 Am., Inc.*, 902 F.2d 746, 747 (9th Cir. 1990) (authority to sanction under Fed. R. Civ. P. 11).

The Court imposes sanctions in the following amounts:

1. Sanctions in the amount of \$1,500.00 each as to Defendant Alvin Flynn and Defendant Pile Trucking, Inc.
2. Sanctions in the amount of \$3,000.00 as to Barry C. Snyder.
3. Sanctions in the amount of \$1,500.00 as to Sean R. Burnett.
4. Sanctions in the amount of \$500.00 as to Gregory M. Smith.

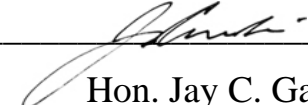
While there are technically three Defendants, it appears that Defendant "Earl Pile Trucking" may not be an actual entity and, therefore, no sanctions are imposed against "Pile Trucking" separately, so as not to impose double harm on any Defendant.

With respect to Defendants' counsel, the Court calibrated the specific amount based upon their proportionate culpability, although there remains some ambiguity with respect to Smith's precise role (which appears to be greater than originally thought). Barry C. Synder merits \$3,000.00, at a minimum, as lead counsel. Sean R. Burnett merits \$1,500.00. Smith merits, at a minimum, \$500.00.

Plaintiffs and their counsel are granted leave to file an application, sufficiently supported with evidence, seeking a recoupment of the fees and costs, including attorneys' fees and expert costs, that Plaintiffs and their counsel incurred for their preparation, attendance, and participation in the settlement conference at issue. The parties should meet and confer, fully and diligently, on this application prior to its

1 filing.

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3 DATED: October 3, 2012

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6 Hon. Jay C. Gandhi
7 United States Magistrate Judge
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